

LPDES PERMIT NO. LA0003867, AI No. 17897

LPDES STATEMENT OF BASIS
FOR THE DRAFT LOUISIANA POLLUTANT DISCHARGE ELIMINATION SYSTEM
(LPDES) PERMIT TO DISCHARGE TO WATERS OF LOUISIANA

Company/Facility Name: Targa Midstream Services Limited Partnership
 Venice LPG Terminal
 1565 Tidewater Road
 Venice, LA 70091

Issuing Office: Louisiana Department of Environmental Quality (LDEQ)
 Office of Environmental Services (Office)
 P. O. Box 4313
 Baton Rouge, LA 70821-4313

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Date Prepared: May 12, 2009

I. Permit Action/Status:**Reason For Permit Action:**

Proposed reissuance of an existing Louisiana Pollutant Discharge Elimination System (LPDES) permit for a 5-year term following regulations promulgated at LAC 33:IX.2711/40 CFR 122.46.

In order to ease the transition from NPDES to LPDES permits, dual regulatory references are provided where applicable. The LAC references are the legal references while the 40 CFR references are presented for informational purposes only. In most cases, LAC language is based on and is identical to the 40 CFR language. 40 CFR Parts 401, 405-415, and 417-471 have been adopted by reference at LAC 33:IX.4903 and will not have dual references. In addition, state standards (LAC 33:IX Chapter 11) will not have dual references.

LAC 33:IX Citations: Unless otherwise stated, citations to LAC 33:IX refer to promulgated regulations listed at Louisiana Administrative Code, Title 33, Part IX.

40 CFR Citations: Unless otherwise stated, citations to 40 CFR refer to promulgated regulations listed at Title 40, Code of Federal Regulations in accordance with the dates specified at LAC 33:IX.4901, 4903, and 2301.F.

- A. NPDES permit - NPDES permit effective date: October 24, 1983
 NPDES permit expiration date: October 23, 1988
 EPA has not retained enforcement authority.

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B. LPDES permit - Individual LPDES Permit

LPDES permit effective date: February 1, 2003

LPDES permit expiration date: January 31, 2008

C. Application received on January 31, 2008.

II. Facility Information:

A. Location - At the end of Tidewater Road, off of LA Highway 23, south of Venice, Plaquemines Parish.

Latitude 29°13'32", Longitude 89°23'26"

B. Applicant Activity -

According to the application, Targa Midstream Services Limited Partnership, Venice LPG Terminal, is a liquefied petroleum gas (LPG) barge loading and unloading facility. The storage wells containing brine water from underground wells in Venice Field temporarily store natural gas liquids (consisting of butane, propane, ethane, and natural gasoline). These natural gas liquids are pumped either from offshore natural gas at the Venice Gas Plant / Venice Stabilizer Plant, or from incoming LPG barges. Introduction of LPG into the top of a well/wells causes the brine water to be displaced (out the bottom of the well/wells) to Outfall 002, or to another well/other wells (depending upon barge traffic). When LPG is removed from a well/wells to a LPG barge, the LPG is displaced from the top of the well/wells by introduction of brine water into the bottom of the well/wells. The brine water is made up of salt from the cavern and water from Pass Tante Phine. The quantity of brine water discharged from the facility is proportional to the volume of LPG produced by the Venice Gas Plant / Venice Stabilizer Plant and accepted from the incoming LPG barges. Typical quantities of brine water discharged over the past five years ranged from 10,000-48,000 barrels per day (bbl/day).

The source of water supply for the facility is brackish water from Pass Tante Phine. This source water is pumped to underground wells in Venice Field, then to storage wells. Source water volume varies from 0-48,000 bbl/day, depending upon the quantity of LPG shipped out or in by barge.

Stormwater runoff is covered under this permit, and discharges from Outfall 001.

There were no other discharges to waters of the state listed in the application.

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- C. Sources of technology based limits:
 Current Permit (effective February 1, 2003)
 LDEQ Stormwater Guidance, letter dated 6/17/87, from J. Dale Givens (LDEQ) to
 Myron Knudson (USEPA)
 Best Professional Judgment

D. Fee Rate -

- i) Fee Rating Facility Type: Minor
- ii) Complexity Type: II
- iii) Wastewater Type: II
- iv) SIC Code: 5171

~~-----E. Continuous Facility Effluent Flow--0.158625-MGD-----~~

III. Receiving Waters: Pass Tante Phine and Red Pass

A. River Basin: Mississippi River, Segment No. 070401

B. Designated Uses:

The designated uses are primary contact recreation, secondary contact recreation, fish and wildlife propagation, and oyster propagation.

IV. Outfall Information:

Outfall 001

- A. Type of wastewater – The intermittent discharge of stormwater runoff.
- B. Location – Monitored at the point of discharge from the northwest side of the facility, inside the fence, prior to mixing with waters of the State, at Latitude 29°13'32", Longitude 89°23'31".
- C. Treatment - None
- D. Flow - Intermittent, 140,217 GPD.
- E. Receiving waters – Red Pass, via effluent pipe.
- F. Basin and segment - Mississippi River Basin, Segment 070401.

Outfall 002

- A. Type of wastewater – The continuous discharge of brine water from storage wells.
- B. Location - Monitored at the point of discharge from the brine discharge line, inside the facility gate, prior to mixing with waters of the State, at Latitude 29°13'26", Longitude 89°23'31".
- C. Treatment – Diffusers

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- D. Flow - Continuous, 158,625 GPD.
- E. Receiving waters – Pass Tante Phine, via effluent pipe.
- F. Basin and segment - Mississippi River Basin, Segment 070401.

V. Proposed Changes from Previous Permit:

Summary of proposed changes from the current LPDES permit:

Outfall 003 in the previous permit is now Outfall 002.

VI. Permit Limit Rationale:

The following section sets forth the principal facts and the significant factual, legal, methodological, and policy questions considered in preparing the draft permit.

A. Outfall 001 – The intermittent discharge of stormwater runoff.

This discharge shall be limited and monitored by the permittee according to the following schedule:

<u>PARAMETER</u>	<u>MONTHLY AVERAGE</u>	<u>DAILY MAXIMUM</u>	<u>MONITORING FREQUENCY</u>
Flow	NA	Report (GPD)	1/3 months
TOC	NA	50 mg/L	1/3 months
Oil & Grease	NA	15 mg/L	1/3 months
pH	6.0 - 9.0 s.u. (Min – Max)		1/3 months

Site-Specific Consideration(s)

Flow - Established in accordance with LAC 33:IX.2707.I.1.b. Flow shall be estimated once a quarter. These requirements have been retained from the previous LPDES permit, effective on February 1, 2003.

TOC - Effluent limitations are established in accordance with BPJ, the previous permit, existing permits for similar outfalls, and LDEQ Stormwater Guidance [letter dated June 17, 1987 from J. Dale Givens (LDEQ) to Myron Knudson (EPA Region 6)], at a frequency of once a quarter. These requirements have been retained from the previous LPDES permit, effective on February 1, 2003.

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Oil and Grease - Effluent limitations are established in accordance with BPJ, the previous permit, existing permits for similar outfalls, and LDEQ Stormwater Guidance [letter dated June 17, 1987 from J. Dale Givens (LDEQ) to Myron Knudson (EPA Region 6)], at a frequency of once a quarter. These requirements have been retained from the previous LPDES permit, effective on February 1, 2003.

pH - Effluent limitations are established in accordance with BPJ, the previous permit, existing permits for similar outfalls, and LDEQ Stormwater Guidance [letter dated June 17, 1987 from J. Dale Givens (LDEQ) to Myron Knudson (EPA Region 6)], at a frequency of once a quarter. Report both the minimum and maximum instantaneous pH values measured. The units for pH (s.u.) are standard units. These requirements have been retained from the previous LPDES permit, effective on February 1, 2003.

B. Outfall 002 - The continuous discharge of brine water from storage wells.

This discharge shall be limited and monitored by the permittee according to the following schedule:

<u>PARAMETER</u>	<u>DAILY AVERAGE</u>	<u>DAILY MAXIMUM</u>	<u>MONITORING FREQUENCY</u>
Flow	NA	Report (GPD)	1/month
Chlorides	Report (mg/L)	Report (mg/L)	1/3 months
Oil & Grease	NA	10 mg/L	1/month
pH	6.0 - 9.0 s.u. (Min - Max)		1/month

Site-Specific Consideration(s)

Flow - Established in accordance with LAC 33:IX.2707.1.1.b. Flow shall be estimated once a month. These requirements have been retained from the previous LPDES permit, effective on February 1, 2003.

Chlorides - Effluent reporting requirements are established in accordance with BPJ and the previous permit, at a frequency of once a quarter. These requirements have been retained from the previous LPDES permit, effective on February 1, 2003.

Oil and Grease - Effluent limitations were established in the 1974 NPDES permit, and have been retained in all subsequent permits. A frequency of once a month, along with these requirements, has been retained from the previous LPDES permit, effective on February 1, 2003.

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pH - Effluent limitations are established in accordance with BPJ, the previous permit, and existing permits for similar outfalls, at a frequency of once a month. Report both the minimum and maximum instantaneous pH values measured. The units for pH (s.u.) are standard units. These requirements have been retained from the previous LPDES permit, effective on February 1, 2003.

In a letter dated June 11, 1971 from Lafleur (Louisiana Stream Control Commission) to Short (Gulf Oil Company - U.S.), this discharge received State Certification, and may be conducted without violating water quality standards of the State.

In a letter dated December 3, 1997 from Levy (LDEQ) to King (Warren Petroleum Company, L.P.), this discharge was determined not applicable to discharges of wastewater associated with oil and natural gas exploration and production activities, and also not subject to effluent guidelines for produced water (see LAC 33:IX.708). This letter also specifically stated it appears that the necessary precautions are being employed to prevent any brine that has been in direct contact with any of the stored hydrocarbons from being discharged back into the receiving waters.

On the basis of historical information and inspections, it has become evident to LDEQ that this discharge is not damaging or threatens to damage the aquatic life in the waters of the state (see La. R.S. 30:2076(C)).

VII. TMDL Waterbodies

Subsegment 070401, Mississippi River Basin, is listed on LDEQ's Final 2006 303(d) List as impaired for pathogen indicators. To date, no TMDLs have been completed for this waterbody. A reopener clause will be established in the permit to allow for the requirement of more stringent effluent limitations and requirements as imposed by a TMDL. Until completion of TMDLs for the Mississippi River Basin, those suspected causes for impairment which are not directly attributed to this facility type have been eliminated in the formulation of effluent limitations and other requirements of this permit. Additionally, suspected causes of impairment which could be attributed to pollutants which were not determined to be discharged at a level which would cause, have the reasonable potential to cause or contribute to an excursion above any present state water quality standard were also eliminated. Pathogen indicators are associated with sanitary wastewater discharges, but there are no sanitary wastewater discharges in this permit. Therefore, no additional requirements will be added to this permit.

VIII. Compliance History/DMR Review:

A compliance history/DMR review was done covering the period of July 24, 2005 to May 12, 2009.

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A. DMR Excursions Reported

On September 18, 2008, the daily maximum for Oil and Grease was 11.4 mg/L (limit is 10 mg/L) for Outfall 003. On the Non-Compliance Report Form dated October 27, 2008, the cause of this violation reported was unknown, and the corrective action reported was the brine water was re-tested.

B. Inspections

The last water permit routine LDEQ Compliance Evaluation Inspection (CEI) was performed on January 22, 2009. One area of concern noted in the inspection report was the recordkeeping and reporting evaluation being unsatisfactory. The only other area of concern noted in the inspection report was the effluent / receiving waters observations being unsatisfactory. However, based on visual observations only, both outfalls had no oil sheen, grease, turbidity, visible foam, or floating solids. The only possible unsatisfactory visual observation noted was that the color of both outfalls effluent / receiving waters was brown. There was no follow-up from Enforcement or Surveillance as of May 12, 2009.

C. Compliance History

There are no open, appealed, or pending water enforcement actions as of May 12, 2009.

Please be aware that the Department has the authority to reduce monitoring frequencies when a permittee demonstrated two or more consecutive years of permit compliance. Monitoring frequencies established in LPDES permits are based on a number of factors, including but not limited to, the size of the discharge, the type of wastewater being discharged, the specific operations at the facility, past compliance history, similar facilities, and best professional judgment of the reviewer. We encourage and invite each permittee to institute positive measures to ensure continued compliance with the LPDES permit, thereby qualifying for reduced monitoring frequencies upon permit reissuance. If the Department can be of any assistance in this area, please do not hesitate to contact us. As a reminder, the Department will also consider an increase in monitoring frequency upon permit reissuance when the permittee demonstrates continued non-compliance.

IX. "IT" Questions - Applicant's Responses

Targa Midstream Services Limited Partnership, Venice LPG Terminal is a minor facility, therefore, IT Questions were not required to be submitted.

X. ENDANGERED SPECIES

The receiving waterbody, Subsegment 070401 of the Mississippi River Basin, has not been identified by the U.S. Fish and Wildlife Service (FWS) as habitat for any species, which are listed federally as a threatened species. Also, this type of discharge is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated November 17, 2008 from Rieck (FWS) to Nolan (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. The effluent limitations

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established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat. Therefore, the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species, or the critical habitat.

XI. Historic Sites:

The discharge is from an existing facility location, which does not include an expansion on undisturbed soils. Therefore, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

XII. Tentative Determination:

On the basis of preliminary staff review, the Louisiana Department of Environmental Quality has made a tentative determination to re-issue a permit for the discharges described in the application.

XIII. Variances:

No requests for variances have been received by this Office.

XIV. Public Notices:

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public Notice published in:

Local Newspaper of general circulation;

Office of Environmental Services Public Notice Mailing List.

XV. Stormwater Pollution Prevention Plan (SWP3) Requirement:

In accordance with LAC 33:IX.2707.1.3 and LAC 33:IX.2707.1.4 [40 CFR 122.44(I)(3) and (4)], a Part II condition is proposed for applicability to all storm water discharges from the facility, either through permitted outfalls or through outfalls which are not listed in the permit or as sheet flow. **For first time permit issuance**, the Part II condition requires a Storm Water Pollution Prevention Plan (SWP3) within six (6) months of the effective date of the final permit. **For renewal permit issuance**, the Part II condition requires that the Storm Water Pollution Prevention Plan (SWP3) be reviewed and updated, if necessary, within six (6) months of the effective date of the final permit. If the permittee maintains

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other plans that contain duplicative information, those plans could be incorporated by reference to the SWP3. Examples of these type plans include, but are not limited to: Spill Prevention Control and Countermeasures Plan (SPCC), Best Management Plan (BMP), Response Plans, etc. The conditions will be found in the draft permit. Including Best Management Practice (BMP) controls in the form of a SWP3 is consistent with other LPDES and EPA permits regulating similar discharges of stormwater associated with industrial activity, as defined in LAC 33:IX.2511.B.14 [40 CFR 122.26(b)(14)].
